

m/001/059

WESTERN UTAH COPPER COMPANY

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Division of Oil gas and Mining

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February 8, 2003

Reference: permit S/001/061

Dear Tom

In accordance with our visit with you, and pursuant to your approval to do so, Western Utah Copper at this time would like to "Modify" the existing plan of operations currently submitted in the following manner. WUCC would propose to resubmit the operation as phase one, and phase two. Phase one is described below and would begin nearly immediately. Phase one would be done under a small mine exemption, (less than 5 acres) and phase two will incorporate phase one and phase two into a large mine permit. In phase two the current proposed tailings disposal impoundment will be discarded in favor of a 50 acre tailings pond. As such please find enclosed the following attachments;

DRWG ONE-W Scale 1 inch =200 feet on topo showing new changes

PHOTO ONE-BW Black and white photo showing location of changes

DRWG THREE From original plan of operations for reference

Maria Winze Layout in color cross section

Western Utah Copper Flow sheet in plan view of the concentrator

At this time WUCC will propose to sink a winze from inside the Maria pit as seen on the enclosed "Maria Winze Layout". Waste rock from this operation will be dispersed onto the pit floor as seen on the "PHOTO ONE-BW". The waste rock will be quartz monzonite, and will be exactly the same rock as that on the pit floor upon which it will lie. The waste rock will be a small quantity, approximately 3,500 yards, and will occupy a very small total footprint on the pit floor. The approximate area of occupancy will be 50x100, or 5,000 sq. feet. Since the waste rock will now be in the pit, as seen on "DRWG THREE" the area South and east of the mill pad marked "area to be enlarged using waste rock from mine shaft sinking" will not be required early on.

As seen on "DRWG ONE -W" the portal of the Winze has been clearly marked as well as the general working pad area to support the winze operation. This is also clearly seen on "PHOTO ONE-BW". The total estimated size of this disturbance will be, if indeed that is what it is, approximately 90x180 or 16,200 sq. feet. The crude ore that is mined will be stock piled on this general working pad area for shipment to the mill VIA truck, using the

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existing roads in place, exclusive of the new road to the mill site as seen on "DRWG ONE-W" and "DRWG THREE" from the original plan, and marked "access road". The road will be approximately 16x450 or 7,200 square feet. The ore as mined will be exactly the same rock that it will lie upon, on the pit floor. It will likely take 9 months to a year to complete the underground development work. It is anticipated that very little ore will be stockpiled for long without being processed. WUCC per the approved BLM plan of operations has agreed to fence the entire Maria open pit. In addition to this, WUCC will put locked gates at the ramp entrance to further promote safety and compliance.

Since the mine shaft will no longer be located on the construction site, as seen on "DRWG ONE-W", only a site 300x500 will be required at this time. The fresh water pond as seen on "DRWG THREE" will also not be required at this time. As seen on "PHOTO ONE-BW" and as part of this modification, the high wall, surrounding the winze portal, and either side of it for as far as the rock is unstable, will be scaled of all loose ore and transported, along with the loose slough already at the toe of the high wall to the mill for processing. The net effect of this will be to make the pit wall safer, provide a more tidy appearance of the pit footwall, and process any of the ore that is already loose, or jarred loose. There will be no net effect, or change in disturbance as a result of this activity.

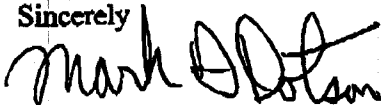
While WUCC will in fact leave in place as a safety net the approved BLM plan of operations, it will be the purpose of this "Modification" to enlarge the operation and permit for a 50 acre tailings pond. (Phase one and Phase two) It is anticipated that it could take up to a year to get the permits for the pond. This modification will give the company up to a year to permit the tailings pond while still being able to construct the new mill, which will likely take up to a year. The total purpose then, is to increase production at the outset. The long term plan will be to fill both open pits with tails, after both ore bodies have been mined out.

Accordingly, the only disturbance that WUCC would likely have at this time is;

- (A) the exploration and condemnation drilling, which will be treated separately
- (B) construction site and mill building 300x500 (150,000 sq. feet 3.4 acres)
- (C) Access road 16x450 (7200 sq. feet)
- (D) Winze working pad 90x180 (16,200 sq. feet)

The grand total disturbance is 173,400 sq. feet or 3.9 acres. Part of the exploration/condemnation drilling is under the pad area, the rest is small. If you have any questions or comments, please do not hesitate to call.

Sincerely



Mark D Dotson
Vice President/Manager of operations
Western Utah Copper Company